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## Small towns vow to fight aid cuts

**Friday, March 7, 2008**

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**BY JOHN REITMEYER AND SCOTT FALLON**

Municipal officials from small towns across North Jersey are getting ready to fight and even sue to undo the cuts in municipal aid now included in the budget proposed by Governor Corzine.

More than 200 mayors and other officials from towns across the state with fewer than 10,000 residents met with representatives of the Corzine administration Tuesday to go over his \$33.3 billion budget in an event sponsored by the New Jersey League of Municipalities.

The governor's budget for fiscal 2009 slashes overall spending by about \$200 million and cuts \$189 million of state aid to municipalities -- ostensibly to promote consolidation and mergers.

Two-dozen North Jersey mayors and administrators were among those who attended the meeting, but Corzine was in Atlantic City and sent a videotaped address, which was mocked by some of the crowd.

"I've heard many of you argue that it will lead to property tax hikes. ... I respectfully disagree," Corzine said. "There is no reason that consequence is inevitable."

Department of Community Affairs Commissioner Joe Doria and acting state Treasurer Dave Rousseau were at the meeting to help explain the cuts and how the towns could apply for \$32 million in grants being made available to encourage consolidations and mergers.

Afterward, however, most municipal officials said they didn't get much out of the meeting and would continue to oppose the cuts.

"It was just a reinforcement of the disregard the state government has to the little town," Riverdale Mayor William Budesheim said. "They are determined to force us to merge. But why don't they break up the big cities to get rid of their expenses? That's where the most money is spent."

John Dean DeRienzo, the mayor of Haworth, said the towns may sue the state to enforce a statute that requires an annual cost-of-living increase in municipal aid.

"We are going to fight this tooth and nail," DeRienzo said. "This is definitely just the beginning."

Harold Karns, borough administrator for Hillsdale, said the cuts

are particularly harmful because they come after most municipal budgets have already been introduced. He challenged Corzine's claim that the cuts don't have to necessarily mean increased property taxes.

"He must believe, to be polite, that we're extremely gullible," said Karns, whose town would lose \$151,372, or about 9 percent of its state aid.

Robert Gallione Jr., business administrator of River Vale, said his town already has several consolidation agreements with its neighbors, including a senior citizen bus service with Westwood.

"These were not forced on us," said Gallione, whose town's state aid is being cut by \$200,576. "These are things that we came up with voluntarily."

One option for the municipal officials is working with the state lawmakers, including Paul Sarlo, a state senator who is also the mayor of Wood-Ridge. The Legislature must pass a balanced budget by July 1.

Sarlo, the vice chairman of the Senate's budget committee, said he now favors restoring the municipal aid even if it means more property tax rebates are trimmed or more state employees lose their jobs.

"That will stabilize funding for municipalities," said Sarlo, whose 7,600-resident town is facing a state aid cut of 31 percent.

Doria, who stayed for the entire three-hour meeting, bore the brunt of the criticism during the meeting.

The former mayor of Bayonne drew the ire of several small town officials who believed cities were given preferential treatment in Corzine's budget.

"The only difference between the big cities and the little towns is the number of voters," Point Pleasant Beach Mayor Vincent Barrella said to loud applause.

There was, however, at least one representative from North Jersey in the audience who was more open to the idea of merging smaller towns.

Brian Hague, spokesman for Bergen County Executive Dennis McNerney, said while smaller government might be more efficient, not all larger towns are inefficient. McNerney, in his state of the county address last month, urged the state to offer more financial incentives to merge towns with fewer than 10,000 residents.

The mayors "are looking at this through an emotional point of view, not a logical point of view," Hague said. "There's \$32 million for towns and administrations to think outside the box and consolidate, share services and save some money."

The league, meanwhile, is hosting another meeting with state officials next week for representatives from municipalities with more than 10,000 residents.

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## Municipalities face aid crunch

Governor Corzine's budget cuts state aid to municipalities by a total of \$189 million as part of an overall rollback of state spending that is also hitting property tax rebates, aid for hospitals and colleges and the state's workforce, among other areas.

[View the aid chart](#)

### Taxes

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BETH BALBIERZ / THE RECORD

**Riverdale Mayor William Budesheim joined small town mayors who told state officials how aid cuts would hurt them.**

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The governor's budget for fiscal 2009 slashes overall spending by about

### FAST FACTS

**\* Dozens of municipal representatives lambasted state officials Thursday over Governor Corzine's plan to slash \$189 million in aid to towns.**

**\* The cuts are felt by all towns, but they place additional penalties on municipalities with fewer than 10,000 residents.**

**\* Bergen County has 35 such towns. Passaic County has four.**

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